
AEROTECHNIC (XIAMEN) AVIATION TECHNOLOGY Co. Ltd

TERMS AND CONDITIONS

1. **DEFINITIONS**

In this agreement, unless the context requires otherwise:

- 1.1 “appropriate authority” means the relevant official, organisation or individual responsible for control of quality and design standards.
- 1.2 “contract” means the agreement arising when any quotation made by Aerotechnic is accepted by the Customer, or when the Customer’s order is accepted / acknowledged by Aerotechnic under these terms and conditions of sale (“terms and conditions”) in relation to the supply of any goods.
- 1.3 “Customer” means the person, firm or company purchasing the goods from Aerotechnic.
- 1.4 “goods” means any goods, materials, spares, equipment or any part thereof and/or services ordered by the Customer and supplied by Aerotechnic pursuant to this contract.
- 1.5 “Aerotechnic” means **Aerotechnic (Xiamen) Aviation Technology Co.Ltd** (registered under Company No **91350200MA8W13R06H**, dated **_June 29th, 2022**), VAT No **91350200MA8W13R06H**, Cage Code **SMYH6**, having its office at **No 218, Xiangyu 2nd Road, Huli Dist, Xiamen City, 361006 - Chinese Republic**.
- 1.6 “principal” means the owner or person responsible for any goods as defined above, which have been sold by Aerotechnic, and acting on behalf of the principal, to the Customer.

2. **APPLICATION AND PRECEDENCE**

- 2.1 Any quotations supplied by Aerotechnic shall remain valid for a period of 30 days from the date of the quotation, unless some other period is specified therein, or unless Aerotechnic withdraws the quotation in writing to the Customer.

Aerotechnic (Xiamen) Aviation Technology Co.

Room H, Unit 431, 4F, Building C, Xiamen International Shipping Center, No.93 Xiangyu Road, Huli Dist, Xiamen, China, 361006

Tel : +86-592-5073757

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- 2.2 These terms and conditions shall apply in respect of all quotations and orders, unless and to the extent that Aerotechnic and the Customer have in writing agreed otherwise.
- 2.3 These terms and conditions form an integral part of the contract and shall take precedence over and exclude any other conditions appearing in any acceptance form, purchase order or other document or letter emanating from the Customer.
- 2.4 Any special conditions such as “Exchange Agreement” or “Consignment / Purchase Agreement” or “Loan Agreement” or other document / agreement relating to an order for the supply of any of the goods or services under the contract and agreed between Aerotechnic and the Customer shall be in writing and acknowledged or signed by Aerotechnic, and such special conditions shall be part of these terms and conditions in that order.

3. THE CUSTOMERS ORDER

- 3.1 Goods are offered subject to them not having been sold or otherwise unavailable at the date of the contract. Aerotechnic reserves the right to make any changes to the specification of the goods which are required to conform with any applicable safety or other statutory requirements in force from time to time and to alter or substitute the goods provided that neither form, fitness nor function are adversely affected thereby and provided that a recognised written proof of such substitution is supplied by Aerotechnic to the Customer.
- 3.2 The Customer shall be responsible towards Aerotechnic for ensuring the accuracy of the terms of any order (including any applicable specification) submitted by the Customer.
- 3.3 Cancellations of orders are subject to written approval by Aerotechnic and of payment by the Customer to Aerotechnic of a **twenty-five (25%)** per cent re-stocking fee, and/or any other additional re-stocking fee, as imposed by any parts manufacturer or distributor or any other third party, whichever will be applicable and whichever will be the highest re-

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stocking fee, and of any other applicable charges related to handling, reconditioning, re-certification, freight, hazardous material fees, taxes, etc.

4. **PRICE**

- 4.1 Unless otherwise specified the price is for the goods packed for airfreight and made available to the Customer as provided in clause **5.4** or **5.5** below. If so, agreed in writing, alternative forms of packaging will be provided and the Customer shall bear all additional expenses associated therewith.
- 4.2 Any price quoted by Aerotechnic will remain open for 30 days from the date of issue, unless otherwise in the quotation some other period is specified or the quotation is withdrawn by Aerotechnic prior to acceptance by the Customer, subject however to the prior sale by Aerotechnic or its source of supply of the goods in question, in which event the quotation given by Aerotechnic will lapse and be void simultaneously with such sale.
- 4.3 The price is exclusive of all taxes, duties, licences and freight charges which shall be paid by the Customer. Should Aerotechnic be required to pay any such taxes, duties or freight charges on behalf of the Customer, the Customer shall reimburse Aerotechnic forthwith upon demand.
- 4.4 Notwithstanding anything to the contrary, Aerotechnic may at its discretion revise the price to take into account any variation in the cost related to labour, materials, fuel, power, packing, handling, crating, supply chain issues and transport and/or any additional costs resulting from any increase in all or any of such costs or resulting from the modification of the goods necessitated by any change in any statutory obligations or any requirements of any appropriate authority or any requirements of the manufacturer, distributor or any other third party prior to delivery. Aerotechnic shall notify the Customer of any such revision as soon as is reasonably practicable. The Customer will be required to approve in writing such revised price.
- 4.5 Where the price for the goods is varied in accordance with clause **4.4**, the price as varied shall be binding on both parties and shall not give either party any right of cancellation.

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4.6 Quotations in a currency other than United State Dollars (\$) are based on the rate of exchange, to which a currency adjustment factor (CAF) might apply, at the time of quoting and unless otherwise stated, the price may at Aerotechnic's discretion be subject to revision if any different rate of exchange is applicable at the date of invoice.

5. **DUE DATE OF DELIVERY**

5.1 Subject to the provisions of clause **2.4** hereof, Aerotechnic shall give the Customer notice (either written or oral), that the goods (under a specific airway bill or tracking number) have been shipped or are ready for collection on the date specified in such notice ("due date"). Unless expressly provided otherwise, delivery of the goods shall be effected by Aerotechnic making the goods available for collection by the Customer or its designated freight forwarding agent or shipped by Aerotechnic on the estimated due date in accordance with clauses **5.4** or **5.5** below ("delivery"). As soon as material is handed over to the Customer's freight forwarding agent it is their responsibility to obtain an airway bill or tracking number.

5.2 Each delivery shall be treated as taking place under a separate contract, and default or delay by Aerotechnic in any single delivery shall not entitle the Customer to repudiate any previous or subsequent contract.

5.3 Unless otherwise specified by Aerotechnic, the due date is an estimate only, made in good faith and Aerotechnic shall not be liable for the consequences of any delay, whether direct or indirect. Unless expressly otherwise agreed in writing by the parties, time of delivery shall not be of the essence.

Notwithstanding the foregoing, any claims by the Customer against Aerotechnic for incorrect shipment or losses in transit of goods will not be valid unless Aerotechnic is notified by the Customer within **five (5)** days from the date of shipment, as reflected on the airway bill or on the tracking number, to the Customer.

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- 5.4 The Customer or its designated freight forwarding agent shall collect the goods on the due date(s) from Aerotechnic premises at **No 218, Xiangyu 2nd Road, Huli Dist, Xiamen City, 361006 - Chinese Republic** or at any Aerotechnic / Harmony Aerospace outlet or such other place as nominated from time to time by Aerotechnic to the Customer, on an “ex-works” (Incoterms) basis, failing which the Customer shall (without prejudice to any other rights which Aerotechnic may have), be liable for and shall promptly reimburse Aerotechnic for all costs and expenses which Aerotechnic may in its absolute discretion incur up to the time of actual collection, including the costs of protection, preservation, storage, insurance, demurrage or any other charges reasonably incurred by Aerotechnic in connection with the goods, against payment for which Aerotechnic shall be entitled to exercise a right of lien over the goods.
- 5.5 In the event that Aerotechnic and the Customer agree that Aerotechnic shall arrange or undertake the handling, reconditioning, re-certification, licenses, carriage, freight, insurance or any other transport costs beyond the point of delivery at any Aerotechnic's premises or at any other places as nominated from time to time by Aerotechnic, such costs shall be for the Customer's account and shall not affect the provisions of the contract as to the passing of risk.
- 5.6 Aerotechnic shall not be in default by reason of failure to perform its obligations if such failure arises by reason of any event beyond Aerotechnic's reasonable control, including but not limited to, Acts of God, a pandemic, war, terrorist attack, fire, flood, labour disputes, strikes, demonstration, lockouts or other industrial actions, lockouts whether at any of Aerotechnic's premises or the premises of Aerotechnic's suppliers or sub-contractors, shortage of materials or services, detention or holding of the goods by any customs authorities or any national or international airworthiness authority, riots or civil commotion, sabotage, earthquakes and natural disasters, acts, restrictions or measures of any State or governmental authority, or any act or omission of the Customer or of any third party. Without prejudice to clause 5.3 above, and clause 5.7 below if such a situation arises and affects Aerotechnic's performance hereunder, the time for performance of Aerotechnic's obligations shall be extended accordingly and Aerotechnic shall take reasonable steps to minimise the effects of any such delay.

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5.7 In the event that any failure to deliver or perform by Aerotechnic pursuant to clause 5.6 results in a delay of more than **ninety (90)** days, then Aerotechnic shall be entitled to cancel all or part of the agreement by written notice to the Customer without incurring any liability for such cancellation or failure to perform.

6. PAYMENT

6.1 Aerotechnic shall render to the Customer invoices showing the sums due under the contract. All payments due hereunder shall unless otherwise designated by Aerotechnic be made in the local Currency (**CNY / Rénmínbi**) as regulated by the Country of registration of Aerotechnic or in **USD** or in **Euro** into Aerotechnic's nominated bank account on or before the thirtieth day from Aerotechnic's invoice date ("payment due date").

6.2 Without prejudice to Aerotechnic's rights under clause 12 hereof, if the Customer fails to make payment within **thirty (30)** days after the payment due date, Aerotechnic shall have the right (without prejudice to any other rights or remedies which may be available), to forthwith terminate or suspend all further work or suspend deliveries until such default is made good. Any additional costs and expenses of whatsoever nature incurred by Aerotechnic as a result thereof shall be borne by the Customer.

6.3 The Customer shall pay interest on any overdue amounts, at prime lending rate, as set from time to time by the Reserve Bank of the Country of registration of Aerotechnic or as set by Aerotechnic's bank, plus **two (2.00%)** per cent.

6.4 If the Customer fails to take delivery of the goods on the due date or if Aerotechnic is procured or hindered from performing any of its obligations as a result of an act or omission on the part of the Customer, Aerotechnic shall be entitled (without prejudice to any other rights or remedies which Aerotechnic may have), to invoice the Customer for the price thereof and payment shall be due as if delivery of the goods had been effected. In such event the Customer shall be liable for and shall promptly reimburse Aerotechnic upon demand for all costs and expenses incurred by Aerotechnic up to the time of actual

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collection or shipping of the goods in accordance with clause **5.4** or clause **5.5** of these terms and conditions.

7 CREDIT TERMS/CREDIT LIMIT

Aerotechnic shall allocate to the Customer's account a credit limit, subject to the credit application being duly completed and signed, which credit limit will reflect a maximum value of goods which the Customer may purchase and which credit terms the Customer may utilise for the payment period mentioned in clause **6** and **6.2** above.

The credit limit is given at the sole discretion of Aerotechnic and may be subject to review, withdrawal and/or amendment without prior notice to the Customer. Where, in the sole discretion of Aerotechnic, the Customer does not justify a credit limit or the credit limit / credit terms have been exceeded, Aerotechnic may require payment in advance of any delivery.

Therefore, the Customer shall duly complete and sign a credit application, which forms part of this document, and return it to Aerotechnic for review, evaluation in view of receiving the appropriate credit term and credit limit.

8. RISK AND TITLE

8.1 The risk of loss or damage to the goods shall pass to the Customer upon delivery in accordance with clause **5.1** hereof, and subject to clause **2.4**, Aerotechnic shall have no responsibility or liability for goods damaged or lost in transit.

8.2 Notwithstanding that risk in the goods shall pass to the Customer in accordance with clause **8.1**, ownership of the goods shall remain vested in Aerotechnic until payment in full has been received by Aerotechnic:

- (i) for those goods;
- (ii) for any other goods supplied by Aerotechnic;
- (iii) of any other monies due by the Customer to Aerotechnic on any account.

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- 8.3 Until title to the goods passes to the Customer under clause **8.2**, the Customer shall (unless otherwise authorised by Aerotechnic):
- (i) keep the goods separately and readily identifiable as the property of Aerotechnic;
 - (ii) not attach the goods to real property;
 - (iii) not incorporate the goods in or mix the goods with other material or assets unless the goods remain at all times readily identifiable, serviceable and without damage.
- 8.4 Any resale by the Customer of the goods in which ownership has not passed to the Customer shall (as between Aerotechnic and the Customer only) be made by the Customer as agent for Aerotechnic, and the proceeds of any such sale shall be held in trust for the benefit of Aerotechnic and placed in a separate account until accounted to Aerotechnic.
- 8.5 Goods shall be deemed sold or used in the order delivered to the Customer.
- 8.6 At any time before title to the goods passes to the Customer (whether or not any payment to Aerotechnic is then overdue or the Customer is otherwise in breach of any of its obligation to Aerotechnic), Aerotechnic may (without prejudice to any other of its rights):
- (i) retake possession of all or any part of the goods and enter any premises for that purpose (or authorise others to do so), which the Customer hereby authorises;
 - (ii) require delivery up to it of all or any part of the goods.
- 8.7 Aerotechnic will allocate and reconcile funds received as advised by the Client, however, should Aerotechnic not have received any feedback from the Customer, then Aerotechnic may at any time appropriate sums received from the Customer as it thinks fit, notwithstanding any purported appropriation by the Customer.
- 8.8 Each clause and sub-clause of this clause is separate, severable and distinct and, accordingly, in the event of any of them being for any reason whatsoever unenforceable according to its terms, the others shall remain in full force and effect.

9. **INSPECTION**

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If upon receipt of the goods by the Customer at the agreed destination, the same shall appear not to conform to the order, and for **five (5)** working days after the date of issue of the airway bill or the date of collection of the said goods, according to clause **5.4** or clause **5.5**, the Customer shall within **thirty (30)** days of receipt thereof notify Aerotechnic in writing of such defect / discrepancy and afford Aerotechnic an opportunity to make any appropriate adjustment or replacement. The remedies afforded the Customer under clause **10** shall be exclusively for defective goods discovered upon inspection, but such remedies shall not be lost by reason of the Customer's failure to discover the defective goods within the inspection period provided in this clause. The Customer shall not be entitled to delay payment for the goods pending inspection.

10. **WARRANTY**

- 10.1 Subject to clauses **8**, **10.7** and **10.8**, Aerotechnic shall at its option, either repair (within the Repair Shop estimated Turn Around Time-TAT) or replace (within the OEM or Supplier estimated Lead-Time) any goods, or refund the purchase price of any goods found to the satisfaction of Aerotechnic within **twelve (12)** months, after the due date (or any revision to the due date notified by Aerotechnic to the Customer), to be defective due either to:
- (i) faulty workmanship by Aerotechnic or by Aerotechnic's source of Supply; or
 - (ii) faulty materials manufactured by Aerotechnic or by Aerotechnic's source of Supply; or
 - (iii) faulty design by Aerotechnic or by Aerotechnic's source of Supply (having regard to the state of the art at the date of such design).
- 10.2 The Customer shall give Aerotechnic written notice within **twenty (20)** working days from discovering any alleged defect in the goods and shall upon request by Aerotechnic, through a Return Material Authorization (RMA), to promptly return such goods properly packed to Aerotechnic's nominated premises being **Aerotechnic (Xiamen) Aviation Technology Co., Ltd. No 218, Xiangyu 2nd Road, Huli Dist, Xiamen City, 361006 - Chinese Republic** or at any other Aerotechnic outlet or at any other places as nominated

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from time to time and in writing by Aerotechnic to the Customer, at the Customer's risk and expense.

- 10.3 The foregoing warranty is subject to the following conditions:
- (i) that goods have been stored, maintained, installed, operated and used in accordance with sound engineering practices and with any instructions issued by the aircraft manufacturer or by the original equipment manufacturer; and
 - (ii) that the goods have not been subject to any alteration or misuse, nor have they been damaged in any manner; and
 - (iii) that the goods returned to Aerotechnic are accompanied by a detailed technical report indicating the reason for removal, the date of installation/removal from the aircraft or from another machine, the aircraft type or machine type and the aircraft registration number and aircraft or machine serial number, the aircraft or machine number of flying (aircraft) hours since new and/or flying (aircraft) hours since overhaul and the number of cycles since new and/or cycles since overhaul and the original EASA Form 1 or FAA 8130-3 tag or Supplier COC and an unserviceable tag.
- 10.4 Aerotechnic shall not be responsible for removal or reinstallation costs or any charges relating to dismantling or reassembling any of the goods and/or any charges in connection therewith shall be borne by the Customer.
- 10.5 If any of the goods are proved to the satisfaction of Aerotechnic and/or the OEM and/or the Repair Shop to be defective and within the terms of this warranty, Aerotechnic shall bear all the reasonable costs of packing, insurance and transport which may be incurred by the Customer in sending the goods to Aerotechnic and in returning the repaired or replaced items to the Customer, provided that the Customer will make no charge for the use of its own transport. Should the warranty be denied, all the above-mentioned related costs will be for the Customer's account, including but not limited to the functional test and/or bench test for no fault found units as applicable.

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- 10.6 Title to the goods or any parts thereof which are returned to Aerotechnic by the Customer and which Aerotechnic subsequently replaces pursuant to the terms of this warranty shall re-vest in Aerotechnic.
- 10.7 Aerotechnic's obligations under this warranty shall not extend to any goods manufactured or supplied by third parties, however, Aerotechnic shall use its reasonable endeavours to procure and transfer, wherever possible and for the benefit of the Customer, such warranty or guarantee (if any) as may have been provided to Aerotechnic by any such third party, but subject thereto Aerotechnic shall be under no liability whatsoever in respect of any defect in such goods.
- 10.8 Where any goods supplied by Aerotechnic are used or new surplus or repaired or overhauled serviceable goods, the warranty period referred to in clause **10.1** above shall not apply. The applicable warranty period for any used or new surplus or repaired or overhauled serviceable goods supplied by Aerotechnic pursuant to the contract shall be that transferred by Aerotechnic, wherever possible and for the benefit of the Customer, as may have been transferred / offered to Aerotechnic from any third party and/or otherwise as offered directly by Aerotechnic to the Customer from time to time and wherever applicable.
- 10.9 So far as is permissible by law, goods represented by the Customer to be defective shall not form the subject of any claim for work performed by the Customer or for any loss, damage or expense of whatsoever nature suffered or incurred by the Customer howsoever arising whether directly or indirectly from any alleged defect.
- 10.10 A claim in respect of any defect in the goods or in respect of any delay in delivery of the goods or any instalment thereof, shall not entitle the Customer to cancel or refuse such delivery or instalment or payment for such goods.
- 10.11 The provisions of this warranty represent the entire liability of Aerotechnic and/or its subsidiaries, its officers, employees and agents in respect of defective goods and all other warranties, guarantees, terms, conditions, representations or liabilities (whether direct, consequential or otherwise) as to quality, description, standard of workmanship,

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condition, fitness for purpose or otherwise (whether expressed or implied by statute or common law) are hereby excluded. Unless due to the gross negligence of willful default by Aerotechnic is demonstrated by the Customer.

11. DISCLAIMER

11.1 Except as may otherwise be stipulated in this contract, Aerotechnic and its principals shall not be liable to the Customer for any losses whether in contract or in tort (including but not limited to negligence), or for breach of statutory obligation and whether arising directly or indirectly out of or in consequence of any act, default or omission of Aerotechnic or its principals.

11.2 The Customer hereby indemnifies and holds Aerotechnic harmless in full against any claim for personal injury or death or loss or damage directly or indirectly occasioned by default (including non-compliance with any statutory or other obligation in relation to the goods) or misuse or mal operation of the goods by or on the part of the Customer or any person or persons other than Aerotechnic.

11.3 This indemnity shall continue in force notwithstanding termination of this contract for whatever reason.

12. TERMINATION

12.1 If the Customer enters into a deed of arrangement or commits an act of bankruptcy or compounds with his creditors or if a receiving order is made against him or (being a company) it shall pass a resolution or the court shall make an order that the Customer shall be wound-up (otherwise than for the purposes of solvent amalgamation or reconstruction) or if a receiver (including an administrative receiver) shall be appointed to any of the assets or undertaking of the Customer or if the Customer suffers the appointment or the presentation of a petition for the appointment of an administrator if circumstances shall arise which entitle the court or a creditor to appoint a receiver (including an administrative receiver) or a manager or which entitle the court to make a winding-up order or if the Customer takes or suffers any similar action in consequence of

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- debt or if the financial responsibility of the Customer shall, in the opinion of Aerotechnic, become impaired or if the Customer shall commit any breach of any part of the contract or these terms and conditions, Aerotechnic may without prejudice to its rights and remedies under these terms and conditions or any other remedies arising at law, stop all goods in transit and suspend any further deliveries and may terminate the contract immediately whether in whole or in part.
- 12.2 In addition to any right of lien to which Aerotechnic may by law be entitled, Aerotechnic shall in the event of the Customer's insolvency or bankruptcy be entitled to a general lien on all items in Aerotechnic's possession (notwithstanding that such items or any of them have been paid for), for the unpaid price of any goods or other items sold and delivered to the Customer by Aerotechnic under the same or any other contract.
- 12.3 Notwithstanding anything contained in these terms and conditions, the Customer shall not have the right to set off any claims it might have against Aerotechnic against any sums otherwise due to Aerotechnic.
- 12.4 Upon termination of the contract for whatsoever reason, Aerotechnic shall be entitled to set-off any claims for payment it may have against the Customer against any amounts due by the Customer to Aerotechnic.
- 12.5 Termination of the contract shall not affect the accrued rights and remedies of Aerotechnic.
13. **INTELLECTUAL PROPERTY INDEMNITY**
- 13.1 Any liability of Aerotechnic in respect of infringements of any intellectual property rights or any part thereof shall be limited to goods of Aerotechnic design or goods manufactured to its design (unless otherwise stated by Aerotechnic) and such liability shall be in respect of **Chinese** intellectual property rights only. In the event of such infringement, Aerotechnic's obligations shall be limited to (at Aerotechnic's option) replacing the infringing goods by non-infringing goods or securing at its own cost a licence permitting use of the said item

by the Customer or paying a sum to the Customer in compensation not exceeding the contract price of the said infringing goods.

- 13.2 Aerotechnic shall as far as it is legally reasonably able to do so, allow the Customer the benefit of any relief or indemnities received from the supplier or third party of any infringing goods not of Aerotechnic's design and manufacture.
- 13.3 No liability shall be incurred by Aerotechnic in respect of infringements or alleged infringements arising from the combination of the goods with any other item or from their use for a purpose not agreed or accepted in writing by Aerotechnic prior to such use.
- 13.4 This indemnity is conditional upon Aerotechnic receiving written notice from the Customer within **thirty (30)** days of any complaint or claim being made or any action threatened or brought against the Customer and the Customer permitting Aerotechnic to conduct any action or litigation which may ensue and all negotiations for settlement of the claim in the name of the Customer.
- 13.5 The Customer warrants that any design or item furnished by it, or compliance by Aerotechnic with the Customer's instructions, whether express or implied shall not be such as will cause Aerotechnic to infringe any intellectual property rights and Aerotechnic's liability (whether under this clause **13** or otherwise), shall in no case extend to any such infringement and the Customer hereby undertakes that it shall indemnify Aerotechnic upon demand against all and any losses, actions or claims (including the cost of defending any legal proceedings) incurred by Aerotechnic as a result of any such infringement or alleged infringement.

14. QUALITY ASSURANCE

Where appropriate, goods shall be inspected in accordance with Aerotechnic's own system of quality assurance (Quality Management System) as approved by any appropriate authority and such inspection shall be evidenced by a certificate of inspection signed by or on behalf of Aerotechnic's head of quality assurance which shall be accepted unconditionally by the Customer. Aerotechnic's own certificate of inspection

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and a copy of the manufacturer or supplier certificate of inspection and EASA Form 1 (for rotables only) or FAA 8130-3 (for rotables only) will be provided with the goods.

15. **LICENCES**

15.1 The obtaining of any licence or consent for the import of the goods within and/or for the export of the goods from **China** shall be the responsibility of the Customer. Aerotechnic shall at the Customer's cost and upon request, endeavour to assist the Customer to obtain such licence or consents, however, Aerotechnic shall not be liable in the event of the non-issuance or renewal or delay of any licence or consent.

15.2 In the event that delivery of the goods is to take place outside **China**, the supply of any goods for which an export and/or re-export licence or other consent is necessary shall be conditional upon the granting of such licence or consent by the **Chinese Government** or any other relevant competent authority to Aerotechnic. Aerotechnic shall at the Customer's cost and upon request, endeavour to assist the Customer to obtain such licence or consents but Aerotechnic shall not be liable in the event of the non-issuance or renewal or delay of any licence or consent.

15.3 The Customer shall be responsible for complying with any legislation or regulations governing the importation and/or export and/or re-export of the goods into the country of destination and for the payment of any duties thereon.

16. **NON-STANDARD ORDERS**

Where the Customer orders goods or material of a type, size or quality not normally supplied by Aerotechnic, Aerotechnic will use all reasonable endeavours to execute the order, at additional costs wherever applicable, but if it proves impossible, impractical or uneconomical to carry out or complete the order, Aerotechnic reserves the right to cancel the contract or the uncompleted order without any liability whatsoever to the Customer, in which event the Customer will only be liable to pay for such goods as may have been delivered.

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E-Mail : sales@aerotechnic-china.com

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17. **WAIVER**

Any failure, delay or indulgence on the part of Aerotechnic in exercising any power or right conferred hereunder shall not operate as a waiver of such power or right nor preclude the exercise of any other right or remedy hereunder and shall be without prejudice to the legal rights of Aerotechnic and the obligations of the Customer shall continue in full force and effect.

18. **ENTIRE AGREEMENT**

18.1 Except as may otherwise be stipulated in writing, this contract shall constitute the entire agreement between Aerotechnic and the Customer in respect of an order for any goods and shall supersede and exclude all prior representations, proposals or agreements whether oral or in writing. Any amendment or alternation to the contract shall be of no force and effect unless reduced to writing and signed by Aerotechnic and the Customer.

18.2 The Customer acknowledges that, in entering into this contract, it does not do so on the basis of and does not rely on any representation, warranty or other provision except as expressly provided herein and all conditions, warranties or other terms implied by statute or common law are hereby excluded to the fullest extent permitted by law.

19. **ASSIGNMENT AND SUB-CONTRACTING**

19.1 Aerotechnic may assign the contract and the rights and obligations thereunder whether in whole or in part and reserves the right to sub-contract its obligations to the contract or any part thereof.

19.2 The contract is personal to the Customer, who shall not without the prior written consent of Aerotechnic assign, mortgage, charge or dispose of its rights hereunder, or sub-contract or otherwise delegate any of its obligations hereunder.

20. **SEVERABILITY**

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In the event of any clause or provision or part thereof of the contract or these terms and conditions being rendered or declared ineffective or invalid by any legislation or rule of law or by any decision of any court of competent jurisdiction, the remainder of any affected clause or provision of the contract and these terms and conditions shall remain in full force and effect.

21. **CONFIDENTIALITY**

Both the subject matter and the terms and conditions of the contract shall be treated by the Customer as confidential and shall not without Aerotechnic's prior written consent, be divulged to any other person or third party.

22. **NOTICES**

All notices and requests required or authorised hereunder shall be given in writing either by personal delivery or recorded mail (return receipt requested), or email transmission and the date upon which any such notice or request is personally delivered or if such notice or request is given by registered or recorded mail, email transmission with acknowledgement, the date upon which it is received by the addressee shall be deemed to be the effective date of such notice or request. The parties shall be addressed as per their normal business address for correspondence, or as may otherwise be notified by each party to the other, or in default thereof to their respective registered offices.

23. **INTERPRETATION**

Headings are for convenience only and shall not govern the interpretation of the contract or these terms and conditions.

24. **LAW**

24.1 These terms and conditions and any special conditions relating to the contract shall be governed and construed and shall take effect in all respects in accordance with the laws

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- of the **Republic of China**, and the Customer agrees irrevocably to submit to the jurisdiction of the applicable **Chinese (Xiamen)** Courts.
- 24.2 The Customer shall be liable for all costs of legal proceedings instituted against it by Aerotechnic, including collection commission, tracing charges and legal costs of an attorney and client scale.
- 24.3 To the extent that the Customer may, in any jurisdiction in which proceedings may at any time be instituted for the determination of any question arising under or for the enforcement of the contract (including any interlocutory proceedings, the execution of any judgement or award arising there from), be entitled to claim or otherwise be accorded for itself or its property assets or revenues, immunity from suit and attachment (whether in aid of execution before judgement or otherwise), or other legal process and to the extent that in any jurisdiction there may be attributed to the Customer or its property, assets or revenues such immunity (whether or not claimed), the Customer hereby irrevocably agrees not to so claim and waives such immunity to the fullest extent permitted by the law of such jurisdiction.
25. **COMPLIANCE WITH LAWS OF COUNTRY IN WHICH AEROTECHNIC PRODUCTS OR SERVICES WILL BE SOLD**

The Customer hereby certifies that all provisions of this Agreement are fully in compliance with the laws of the country or countries in which the Customer is agreeing to attempt to secure contracts for the sale of Aerotechnic's products, its affiliates and/or subsidiaries, including but not limited to the laws of any such country or countries regarding the payment of compensation. The Customer hereby agrees to defend, indemnify and hold harmless Aerotechnic, its officers, directors, employees, agents and assigns from any and all claims, demands, causes of action, damages, losses, liabilities, fines, penalties or costs including attorney's fees arising from or related to payments pursuant to any provisions of this Agreement or the transactions contemplated hereby that do not comply with the laws of any country in which the Customer secures or attempts to secure a sales contract for Aerotechnic's products or services. The Customer further agrees to refund to Aerotechnic any funds paid in contravention of the law of the **United States, Europe** or any such countries.

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26. **EXPORT**

The Customer is responsible for compliance with all applicable import and export / re-export control laws and regulations.

The Customer must obtain at its sole cost and expense all import, export, and re-export approvals and licenses required for Products received from Aerotechnic, for transfers, services and technical data delivered and use of all products, technology and software purchased, licensed received from Aerotechnic. The Customer will retain documentation evidencing compliance with those laws and regulations.

Aerotechnic will not be liable to the Customer for any failure to provide Products, services, transfers or technical data as a result of government actions that impact Seller's ability to perform, including: (1) the failure to provide or the cancellation of export or re-export licenses ; (2) any subsequent interpretation of applicable import, transfer, export or re-export law or regulation after the date of any order or commitment that has a material adverse effect on Seller's performance ; and (3) delays due to Customer's failure to follow applicable import, export and/or re-export, transfer, laws and regulations.

If Customer designates the freight forwarder to be used for export shipments from the United States, then Customer's freight forwarder will export on Customer's behalf and Customer will be responsible for any failure of Customer's freight forwarder to comply with all applicable export and/or re-export requirements. Aerotechnic will provide Customer's designated freight forwarder with required commodity information.

27. **COMPLIANCE WITH RESTRICTIONS ON PROHIBITED PAYMENTS**

The Customer certifies that it will take no action or use or spend any funds, regardless of source, in violation of the laws of the **United States of America** and/or of **Europe** or of any countries, including but not limited to the payment of bribes, kickbacks, political contributions, or other prohibited payments. The Customer also certifies it will adhere to the ethical requirements imposed upon it pursuant to its contractual commitments to Aerotechnic and that the Customer has read, understands and agrees to abide by the provisions of the Aerotechnic Code of Conduct and of the **United States** and/or of **Europe** and/or any other country's Foreign Corrupt Practices Act or equivalent, as amended from time to time. The Customer acknowledges that in the event of the Customer's breach of these certifications, Aerotechnic may suffer damage to its

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reputation and loss of business which is incapable of accurate estimation. As a result, therefore, the Customer will defend, indemnify and hold harmless Aerotechnic from all claims, demands, causes of action, damages, losses, fines, penalties or costs, including attorney's fees, which Aerotechnic may suffer by reason of the violation by the Customer of such Foreign Corrupt Practices Act and the other laws referred to herein.

28. **CONSENT TO DISCLOSURE OF INFORMATION**

28.1 The Customer understands that the personal information given herein is to be used by Aerotechnic for the purposes of assessing credit worthiness. The Customer confirms that the information given is accurate and complete. The Customer further agrees to update the information supplied, as and when necessary, in order to ensure the accuracy of the above information, failing which Aerotechnic will not be liable for any inaccuracies.

28.2 Aerotechnic has the Customer's consent at all times to contact and request information from any persons, credit bureaus or businesses, including those mentioned in the credit information form and to obtain any information relevant to the Customer's credit assessment including, but not limited to, information regarding the amounts purchased from suppliers per month, length of time the Customer has dealt with such supplier, type of goods purchased and manner and time of payment.

28.3 The Customer agrees that information given in confidence to Aerotechnic, by a third party on the Customer, will not be disclosed to the Customer.

28.4 The Customer hereby consents to and authorises Aerotechnic at all times to furnish personal and credit information concerning the Customer's dealings with Aerotechnic to a credit bureau and to any third party seeking a trade reference regarding the Customer in its dealings with Aerotechnic.